



Representative **Shirley Hankins**

8th District



State Budget Update

Controlling Taxes & Making Government Work



November 2001

Olympia office:

401 Legislative Bldg.
P.O. Box 40600
Olympia, WA 98504-0600
(360) 786-7882

e-mail:

hankins_sh@leg.wa.gov

Committees:

Capital Budget
Transportation—Vice chair
Rules

Toll-free legislative hotline:

1-800-562-6000

TTY-TDD for the

Hearing Impaired:

1-800-635-9993

Legislative Information on the Internet:

<http://www.leg.wa.gov>

Dear Friends,

A year ago the state had a substantial budget surplus. The slowing economy, coupled with the tragic events of September 11, has drastically altered the situation. We now face a large deficit. Earlier this year I voted against the budget because I feared our income flow was not sustainable. This fear has now been realized. Please take a moment to read this newsletter. It briefly outlines the budget challenge that faces the 2002 legislature.

I am also providing a quick-access directory of numbers so that you may easily contact your state, local and national government agencies or services. You can post it near your refrigerator or phone so that you can locate it easily. I hope you find it useful.

Sincerely,

Shirley Hankins
Your State Representative

Building a state budget

The state spending plan consists of three separate budgets:

- 1) The operating budget
- 2) The transportation budget, and
- 3) The capital budget.

These budgets are paid for through different funding sources. They are adopted every two years. The current biennium began July 1, 2001 and ends June 30, 2003. Changes are made during the biennium as circumstances warrant.

• **Operating budget**

The state operating budget includes appropriations from the general fund and other dedicated accounts for general government operations. This includes funding for schools, colleges and universities, human/social services, natural resource management and other general needs. Recent events in the state's economy now show we may have a \$1 billion shortfall.

• **Transportation budget**

The transportation budget funds highway construction, a portion of the ferry services, the Washington State Patrol, and other transportation-related items. The 2001-03 state transportation budget totals \$3.4 billion, but it is not adequate to meet our state's growing transportation needs. The current budget does not provide funding for new road construction projects over this period – only maintenance and preservation of existing highways.

Lawmakers have been working on a new revenue plan that would provide funding for \$10 billion in new projects to relieve traffic congestion, improve economic

opportunities and make highways safer. But an agreement on a funding plan could not be reached during the 2001 session.

• **Capital budget**

The state capital budget covers construction and remodeling costs for state facilities, including schools, state offices, parks and other items such as habitat improvement. The 2001-03 state capital budget funds approximately \$2.5 billion in construction costs over the two-year budget period.

A large share of state construction costs are funded through bonds, which are backed by general fund revenues. Due to declining revenues, the state may not be able to support the level of bonding needed to pay for projects in the current budget. The governor has put a hold on borrowing for new construction projects.

Operating budget poses a challenge for lawmakers

More difficult decisions are in store for lawmakers this year, as our state's economy continues to slow. The 2002 legislature faces a challenge unmatched in at least 20 years. The budget must be brought into balance without slashing services vital to the citizens of the state. Ninety percent of our general fund spending is for education and human services. The Governor has already ordered cuts for as much as 15%.



Toll-Free Government Directory

Toll-Free
Information
Hotline Phone
Numbers

Legislative Hotline (<i>Language interpretive services available upon request</i>)	1-800-562-6000
Legislative Hotline (hearing impaired citizens) TTY-TDD	1-800-635-9993
State Agency Information	1-800-321-2808
Aging and Adult Services	1-800-422-3263
AIDS/HIV Information	1-800-272-2437
Attorney General Consumer Protection	1-800-551-4636
Basic Health Plan	1-800-826-2444
Child Care Resource and Referral	1-800-446-1114
Children or Families at Risk	1-800-562-5624
Children's Support Enforcement	1-800-729-7580
Crime Victim's Advocacy	1-800-822-1067
Dept. of Social and Health Services	1-800-772-1213
Dept. of Transportation Ombudsman	1-800-368-2559
Domestic Violence Hotline	1-800-562-6025
Employment Security	1-800-318-6022
in Spanish	1-800-318-1664
Family and Children's Ombudsman	1-800-571-7321
Ferry Information	1-888-808-7977
Insurance Commissioner - Consumer Protection	1-800-562-6900
Internal Revenue Service, Kennewick	1-800-829-1040
Long-Term Care Ombudsman	1-800-562-6028
Medicaid Information	1-800-562-3022
Medical Assistance Administration	1-800-562-3022
Missing Children Clearinghouse	1-800-543-5678
National Runaway Switchboard	1-800-621-4000
Natural Resources (Wood cutting and fire permits)	1-800-527-3305
Pass Reports	1-800-695-7623
Public Disclosure Commission	1-877-601-2828
Revenue, Dept. of	1-800-647-7706
Social Security Administration	1-800-772-1213
Veterans Affairs	1-800-562-2308
Voter Information	1-800-448-4881
Welfare Fraud	1-800-562-6906
Youth Crisis Hotline	1-800-448-4663

Printed on recycled paper

Representative
Shirley Hankins
P.O. Box 40600
Olympia, WA 98504-0600

State Budget Update
Controlling Taxes & Making Government Work

PRESORTED
STANDARD
U.S. POSTAGE PAID
Washington State
Department of Printing